

AS

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-283-C - ORDER NO. 96-831
DECEMBER 2, 1996

IN RE: Internet Services of the)	
Low Country, LLC,)	ORDER
)	DENYING
Complainant,)	COMPLAINT
)	
vs.)	
)	
United Telephone Company of)	
the Carolinas (Sprint),)	
)	
Respondent.)	
)	
)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the complaint of Internet Services of the Low Country, LLC (the Complainant or Internet) against United Telephone Company of the Carolinas (Sprint) (hereinafter Sprint United).

The Commission held a hearing on this matter on November 13, 1996 at 2:30 p.m. in the Commission's Hearing Room. Walter N. Gnann, Jr., Manager of Internet, appeared to present testimony on the Complainant's behalf. Sprint United was represented by William F. Austin, Esquire. Sprint United presented the testimony of Donald O. Horton. The Commission Staff (the Staff) was represented by F. David Butler, General Counsel, and presented no witnesses. Stephen Thompson, owner of Peoples Connection BBS,

appeared as a public witness. Later in the hearing, Gnann orally moved that the Petition be amended so as to replace the Complainant's name, Internet with the name of Walter N. Gnann, Jr. The Commission granted this Motion.

On June 26, 1996, Internet entered into a contract with Sprint United to install 33 Advanced Business Connection (ABC) phone lines at its office. The installation date was set for July 15, 1996. On the date of installation, Internet was informed by Sprint United that it was unable to install the requested lines due to a conflict with the General Subscribers Tariff (Tariff). Specifically, Section U13.14.1.k of the Tariff would be violated by installation of the ABC lines, according to Sprint United. That Section states:

When ABC line(s) are terminated into customer provided terminal equipment capable of switching and/or extending calls, each ABC line will require one ABC Exchange Network Access Register (NAR). If additional ABC lines are terminated into customer-provided terminal equipment capable of switching and/or extending calls are a part of the same ABC Group, additional NAR requirements will be based upon traffic sensitivity.

Internet states that ABC is a Centrex system, and that other Internet Service Providers in South Carolina, including the People Connection BBS in Beaufort are using the system for dial-up access without the additional Network Access Registers required for internet service companies. According to Internet, the Tariff appears to state that any time the terminal equipment is capable of extending calls, each line will require NARs. Internet states that, because it uses in-band signaling, that it does not extend

the calls, and therefore, Sprint United's claims about the Tariff are unfounded with regard to it. Internet also states that its connection of a customer to the internet is not an extension of a call as alleged by Sprint United. Internet asks that it be permitted to use Sprint United's ABC service to provision its internet service without the requirement of an additional NAR per line.

Sprint United presented the testimony of Don O. Horton. Horton stated that, based on the Tariff language stated above, Sprint United determined that Internet services should be accessed a NAR per line for those lines being used to provision its internet offering, and that Mr. Gnann was advised of this Tariff requirement. Horton noted that Internet Service Providers such as the Complainant are considered to be Enhanced Service Providers (ESPs). ESPs may purchase services from any applicable tariff to provision their service offering. Therefore, internet providers such as Internet may purchase any service available from Sprint United, including ABC, to provision their service offering in accordance with the terms and conditions of the applicable Tariff. Horton noted that the NAR is a program restriction located in the central office software that limits outbound calls to one for each NAR. Sprint United's ABC Service is a regulated central office based service alternative to a PBX or functionally equivalent equipment. Each ABC line between the central office and the customer premises is equivalent to a station line behind a PBX. The difference in these services is that ABC permits limited

incoming calls, and an NAR is a method Sprint United uses to treat an ABC line as though it were a PBX trunk. The terminal equipment used by Internet is capable of "extending" incoming calls beyond Internet's premises, according to Sprint United. Horton notes that this is illustrated by Gnann's Exhibit 2, which was entered into the evidence as a Hearing Exhibit. Horton differentiated between a Bulletin Board Service and Internet Service Providers. Information available from Bulletin Board Service providers is resident within the terminal equipment at the Bulletin Board Company's premises. Therefore, incoming calls are connected at the Bulletin Board Company's terminal equipment and not extended to another network. As previously discussed, Internet Providers extend calls beyond the Service Providers Premises to the internet network.

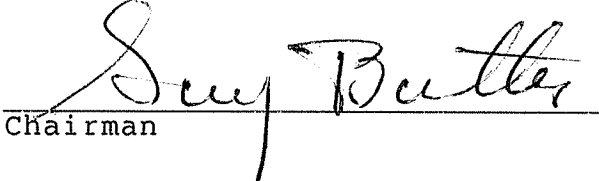
Mr. Gnann testified that Peoples Connection BBS is providing Internet services using Sprint United's ABC Service without the additional NAR charge. Sprint United initiated a review of Peoples Connection BBS and noted that Mr. Gnann's statement was correct. However, at the time Peoples Connection ordered ABC Service, it was providing Bulletin Board Information Services exclusively. Subsequently, that company has expanded its service offering to include Internet Access Services. Since Sprint United has become aware of this situation, it has notified the customer that, based on its Application of Sprint United's ABC Service, the Tariff requires that there be one NAR per line.

The Commission has examined this matter, including the whole record of the case and the testimony presented herein, and believes

that Gnann/Internet complaint must be denied. Gnann's Exhibit 2 clearly shows a two-way path from the router to the internet, and back. Therefore, the call is extended, as evidenced by Gnann's own Exhibit. The Sprint United Tariff therefore applies, and the requirement of 1 NAR per business line is an appropriate application of the Tariff in this circumstance.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)